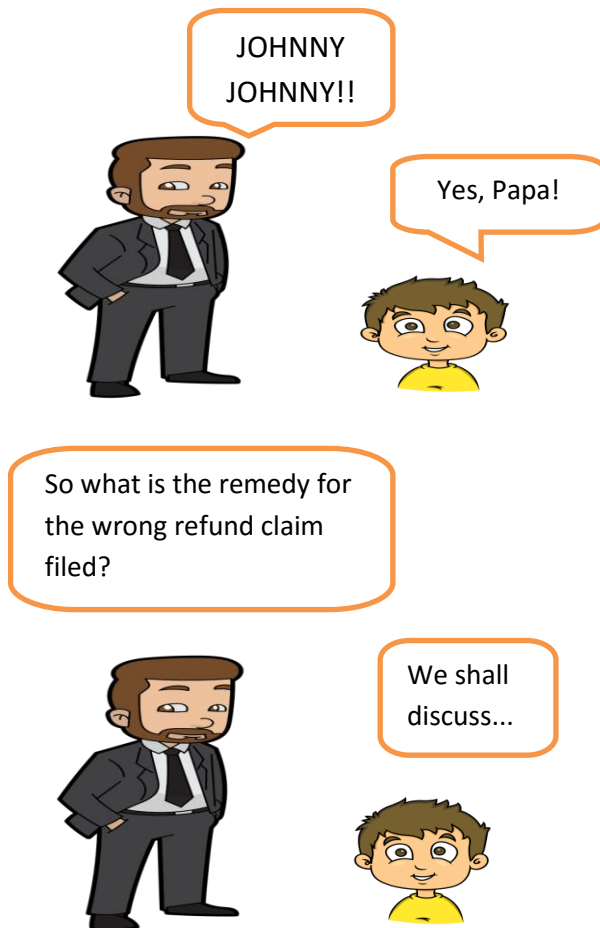


GST and JOHNNY- UPDATE No.57-Part III



This Papa-

We already discussed that only nil refund filers have an option to re file the refund application. And as concluded in our example that the tax payable on inverted rated supply of goods and services was deducted 10 lacs instead of 15 lacs, thereby leading to excess refund available to sanction.

Since we don't have option to re file the application, we suggested that can we debit balance 5 lacs short deducted from our electronic credit ledger via DRC-03.

Debiting Rs. 5 lacs from credit ledger would automatically have the same effect and DRC 03 gives us an option to debit any amount from our credit as well as cash ledger available in our account on online portal.

However, department rejected this due course of action and stated that there is no remedial action available with us to correct his issue. The assessee will have to bear losses of rejection of refund claim and litigation costs of filing appeal for providing remedy for correction of mistake manually.

In every scenario, the assessee is at loss and ultimately leading to blocking of working capital. Factories are already running at loss due to pandemic and these kinds of faults hamper the assessee to a great extent. It is true that misfortune seldom comes alone!!

We hope that government take quick decisions and provide a bulletproof measure in this regard.

CA Pradeep Jain